



RECORDATION NO 20301
OCT 10 1996 10 23 AM
INTERSTATE SURFACE TRANSPORTATION BOARD

NorRail, Inc.
Buying, Selling, Leasing
Railcars / Locomotives

308 12th Avenue South, Buffalo, Minnesota 55313 • Phone (612) 557-0215 • Fax (612) 682-2452

September 12, 1996

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

RECEIVED
SURFACE TRANSPORTATION
BOARD
OCT 10 10 23 AM '96

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two originals of a Memorandum of Railcar Lease Agreement dated as of August 5, 1996, a primary document as defined in the Board's Rules for Recordation of Documents

The names and addresses of the parties to the enclosed documents are:

Lessee: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313
(612) 557-0215

Lessor: Bombardier Capital Inc.
P.O. Box 991
1600 Mountain View Drive
Colchester, VT 05446

The Memorandum of Railcar Lease Agreement covers 137 covered hopper railcars which are identified in Exhibit A to the Memorandum of Railcar Lease Agreement. We have also enclosed our check in the amount of \$21 00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned. If you have any questions or require any further information in connection with this filing, please contact the undersigned at 612-557-0215.

Very truly yours,

Bradley C. Gunstad

**SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001**

10/10/96

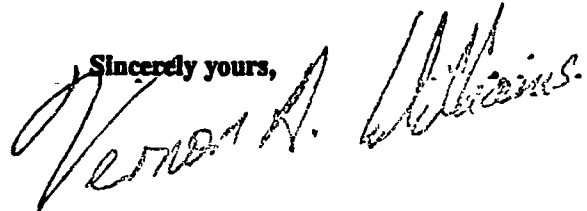
Bradley C. Gunstad
NorRail, Inc.
303 12th Ave., So.
Buffalo, MN., 55313

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/10/96 at 10:25AM, and assigned recordation number(s).

20300, 20301, 20302, 20303, 18976-EE and
18976-FF.

Sincerely yours,

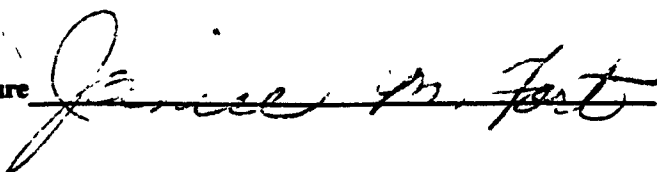


Vernon A. Williams
Secretary

Enclosure(s)

\$132.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



REC'D SEP 12 1996

20301
REGISTRATION NO. FILED 1996
OCT 1 0 1996 10 25 AM
SECTION

MEMORANDUM OF RAILCAR LEASE AGREEMENT

dated as of August 5, 1996

between

BOMBARDIER CAPITAL INC.

as Lessor

and

NORRAIL, INC.

as Lessee

MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of August 5, 1996 by and between Bombardier Capital Inc., a Massachusetts Corporation ("Lessor") and NorRail, Inc., a Minnesota corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Rail Car Lease Agreement No. 1672 dated July 3, 1996 between Lessor and Lessee (hereinafter referred to as the "Lease")
2. Pursuant to Schedule No. 1 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the 137 covered hopper railcars bearing the reporting marks and road numbers indicated on Exhibit A hereto, all as more particularly described in the Lease.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

BOMBARDIER CAPITAL INC.

Lessor

By: [Signature]

Its: VICE PRESIDENT

By: [Signature]

Its: Vice President

NORRAIL, INC.

Lessee

By: [Signature]

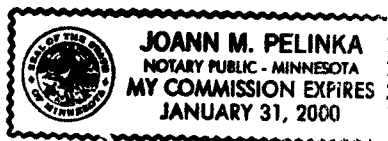
Its: Vice President Sales

EXHIBIT A
To Memorandum of Lease

1.	CR 886013	47.	CR 887466	93.	CR 888844
2.	CR 886019	48.	CR 887467	94.	CR 888855
3.	CR 886022	49.	CR 887479	95.	CR 888859
4.	CR 886031	50.	CR 887481	96.	CR 888863
5.	CR 886032	51.	CR 887491	97.	CR 888870
6.	CR 886040	52.	CR 887499	98.	CR 888897
7.	CR 886041	53.	CR 887515	99.	CR 888927
8.	CR 886050	54.	CR 887520	100.	CR 888998
9.	CR 886057	55.	CR 887533	101.	CR 889000
10.	CR 886084	56.	CR 887762	102.	CR 889006
11.	CR 886089	57.	CR 887763	103.	CR 889027
12.	CR 886099	58.	CR 887587	104.	CR 889055
13.	CR 886114	59.	CR 887774	105.	CR 889066
14.	CR 886191	60.	CR 887776	106.	CR 889076
15.	CR 886214	61.	CR 887781	107.	CR 889124
16.	CR 886258	62.	CR 887815	108.	CR 889135
17.	CR 886309	63.	CR 887820	109.	CR 889786
18.	CR 886318	64.	CR 887859	110.	CR 889798
19.	CR 886345	65.	CR 887864	111.	CR 889803
20.	CR 886580	66.	CR 887866	112.	CR 889805
21.	CR 886812	67.	CR 887890	113.	CR 889813
22.	CR 886825	68.	CR 887895	114.	CR 889840
23.	CR 886954	69.	CR 887897	115.	CR 889845
24.	CR 886958	70.	CR 887902	116.	CR 889877
25.	CR 886972	71.	CR 887914	117.	CR 889913
26.	CR 887006	72.	CR 887919	118.	CR 889957
27.	CR 887032	73.	CR 887920	119.	CR 889961
28.	CR 887039	74.	CR 887922	120.	CR 889963
29.	CR 887047	75.	CR 887925	121.	CR 889964
30.	CR 887059	76.	CR 887932	122.	CR 889968
31.	CR 887060	77.	CR 887945	123.	CR 889978
32.	CR 887062	78.	CR 887948	124.	CR 889988
33.	CR 887063	79.	CR 887987	125.	CR 889998
34.	CR 887174	80.	CR 887999	126.	CR 890882
35.	CR 887214	81.	CR 888016	127.	CR 892000
36.	CR 887217	82.	CR 888056	128.	CR 892009
37.	CR 887242	83.	CR 888219	129.	CR 892014
38.	CR 887244	84.	CR 888432	130.	CR 892020
39.	CR 887286	85.	CR 888438	131.	CR 892035
40.	CR 887325	86.	CR 888768	132.	CR 892038
41.	CR 887346	87.	CR 888770	133.	CR 892048
42.	CR 887347	88.	CR 888784	134.	CR 892068
43.	CR 887422	89.	CR 889692	135.	CR 892168
44.	CR 887428	90.	CR 888814	136.	CR 892171
45.	CR 887439	91.	CR 888821	137.	CR 892174
46.	CR 887462	92.	CR 888836		

STATE OF MINNESOTA, COUNTY OF WRIGHT, TO WIT:

On this 5th day of August, 1996, before me personally appeared Russell S. Adams to me personally known, who being by me duly sworn, says that he is the Vice President - Sales of NorRail, Inc., a Minnesota corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Joann M. Pelinka
Notary Public

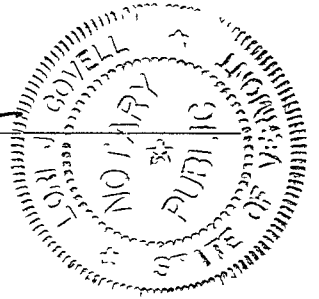
(Notarial Seal)

My Commission expires: 1/31/2000

STATE OF VERMONT, COUNTY OF CHITTENDEN

On this 5th day of August, 1996, before me personally appeared, George Calver and R William Crowe, to me personally known, who being by me duly sworn, say that they are the Vice President and Vice President, respectively of Bombardier Capital Inc , a Massachusetts corporation, that said instrument was signed on behalf of Bombardier Capital Inc by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of Bombardier Capital Inc


Notary Public



My commission expires 2/10/99